



**Newbury Zoning Committee**  
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# Town of Brookline

## Massachusetts

### **NEWBURY ZONING COMMITTEE MEETING MINUTES** **Select Board Hearing Room, 6<sup>th</sup> Floor, Brookline Town Hall** **January 8, 2020 – 7:00 p.m.**

**Committee Present:** Nancy Heller, Neil Wishinsky, Carlos Ridruejo, Kathy Spiegelman, Roger Lipson, Bernard Greene, Michael Glover, Steve Heikin, Georgia Johnson, Helen Charlupski, Janet Fierman, Derrick Choi, Paul Saner.

**Staff Present:** Alison Steinfeld, Victor Panak

Nancy Heller called the meeting to order at 7:06 pm and introduced the members of the Committee.

#### **Presentation by Welltower**

Sargent Gardiner, an architect with Robert AM Stern, presented updated plans of the proposal. Mr. Gardiner emphasized the residential scale of the building where it is in close proximity to the public way, highlighted the preservation of mature trees on the property, and noted the intent to preserve the historical Mitton House.

Carrie Havey (The Green Engineer), sustainability engineer for the development team, reviewed the project's energy sustainability strategies including the adoption of the Town's No Fossil Fuels Bylaw, reduction in energy demand, harvesting of site energy, and maximizing energy efficiency. Ms. Havey also discussed some of the specific sustainability attributes the development team would be seeking to achieve, including those related to sustainable landscaping and circulation.

Vinod Kalikiri (VHB), traffic engineer for the development team, provided a brief presentation on the progress of the team's ongoing traffic report.

#### **Presentation by Pam McKinney, MAI – Byrne & McKinney & Associates, Inc.**

Pam McKinney, the Town's financial consultant, provided the committee with a presentation outlining her findings as they relate to the financial viability of Welltower's proposal and the flexibility in their pro forma. Ms. McKinney reported the following findings:

- There exists in the region a strong demand for the proposed use and a correspondingly low supply. The site is ideal to capture the market demand.
- The proposed unit mix and scale are very necessary to secure the necessary operational efficiency and financial feasibility.
- The proposed unit sizes are very appropriate given industry standards.
- The proposed rents are aspirational. While they are possible, they would sit atop the market. Product quality is also at top of the market.

- The price that Welltower paid to acquire the property is consistent with the property's fair market value and in fact incorporates a "discount for bulk" in that the sum of the fair market values for the individual pieces of the Newbury campus would exceed the price paid by Welltower for the full campus.
- Welltower's expected development costs are aspirational.
- The project can sustain very few additional pressures to its pro forma. The industry standard Return on Cost ROC upon stabilization is below the low end of the 6.5 -7% market range.

Carlos Ridruejo asked if a reduction in the number of units would make the project infeasible. Ms. McKinney responded that, in her opinion, it would.

Raul Fernandez, a member of the Select Board, suggested that usually the profit margins for high end projects are high and therefore wondered why this was not the case here. Ms. McKinney said that it depends on the costs and that the costs in this location are very high.

Paul Saner asked why Welltower would be interested in such a thin-margin project. Ms. McKinney said that Welltower and Balfour's reputations are very strong regarding delivery on promises. The site is exceptionally rare and have an exceptional competitive edge over other options.

### **Public Comment**

Michael Sandman, chair of the Advisory Committee, asked how sensitive the viability of the project is to the inclusionary zoning number in the pro forma. Ms. McKinney responded that every dollar is a burden and that the project's viability is extremely sensitive to any changes in cost.

Ken Goldstein asked if the west side of the campus and the property at 125 Holland Road figure into the pro forma and whether the margins are equally thin. Ms. McKinney said that those sites did not really appear in the pro forma. Mr. Goldstein added that he supports the architectural plans.

Mike Liebman suggested that Welltower should take advantage of expanding revenue over time to cover a greater deficit at the inception of the project. He also added that the size of the project does not need to manifest itself as bulk above ground and that the development team should bury more of the program space underground.

Linda Pehlke asked if the development team would be seeking a waiver from the Town's No Fossil Fuels bylaw for the heated pool. Jennifer Dopazo Gilbert, attorney for the development team, confirmed that they would be seeking a waiver. Ms. Pehlke added that she liked the site design.

Philippa Brousseau expressed concerns with the new curb-cut and the effects of traffic and pollution through this curb cut. Mr. Kalikiri explained that the number of vehicles using the curb cut is expected to be very small. Ms. Brousseau asked why the Holland Road curb cut was eliminated. Mr. Gardiner explained that it was deemed unnecessary and the team wanted to limit negative impacts on Holland Road.

There was a brief discussion about circulation on the site and potential nuisance to the Olmstead Road residents.

Pamela Lodish asked for more details on how the project would help the Town from a fiscal perspective. Neil Wishinsky responded that that issue was still being investigated.

A resident requested more information on the Town's intended use of the west side to better understand the entirety of the impacts on the neighborhood.

Steve Heikin asked Ms. McKinney if the property values in her study were based on the value created by a rezoning. Ms. McKinney indicated that the property values were based on the highest and best use which would likely be an educational use.

### **New Administrative Business**

Ms. Heller stated that she wanted to add people to the Negotiation Subcommittee, notably Michael Glover, Roger Lipson, and Kathy Spiegelman.

*Bernard Greene moved to add Michael Glover, Roger Lipson, and Kathy Spiegelman to the Newbury Zoning Negotiations Subcommittee, thereby increasing the size of the Subcommittee by 3 members. Paul Saner seconded the motion. The Committee voted 11-0 to approve the motion.*

### **Schedule Next Meeting**

The Committee agreed to schedule the next meeting for February 5, 2020 at 7pm in a location to be determined.

### **Executive Session**

*Ms. Heller moved that the Committee enter into executive session for the purpose of considering the purchase, exchange, lease, or value of the real property of the former Newbury College located at 110, 124, and 150 Fisher Avenue, and 146 Hyslop Road, Brookline, Massachusetts, declaring that an open meeting may have a detrimental effect on the negotiating position of the public body. The Committee held a roll-call and voted unanimously to enter into executive session.*

**The meeting was adjourned.**